

**BEFORE THE  
DEPARTMENT OF TRANSPORTATION  
WASHINGTON, D.C.**

In the matter of the application of	)	
	)	
COMPANIA MEXICANA DE AVIACION,	)	Docket OST-2004-18645
S.A. DE C.V.	)	
	)	
	)	
for an exemption from 49 U.S.C. 41301	)	
	)	

**APPLICATION FOR RENEWAL OF EXEMPTION**

Communications with respect to this  
document should be addressed to:

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de C.V.

DATED: June 28, 2005

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**APPLICATION FOR RENEWAL OF EXEMPTION**

Compania Mexicana de Aviacion, S.A. de C.V. ("Mexicana") hereby requests renewal of the exemption authority granted to it by the Department of Transportation (the "Department") in the above-captioned docket to perform scheduled foreign air transportation of persons, property and mail between:

- (i) the coterminal points Morelia/Zacatecas, Mexico, and Dallas/Ft. Worth, Texas;
- (ii) the coteriminal points Durango/La Paz/Manzanillo, Mexico, and Los Angeles, California; and
- (iii) Hermosillo, Mexico, and Las Vegas, Nevada.

Mexicana requests renewal of this exemption for a one-year period on its existing terms and conditions. Mexicana relies upon the provisions of the Administrative Procedure Act

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and Part 377 of the Department's procedural regulations to continue its existing authorization in force pending a final decision on this renewal request.

As indicated below, all of the factors that originally led the Department to grant this exemption to Mexicana continue in existence at the present time. The bases for the grant of this exemption were reaffirmed in the 1991 United States-Mexico Air Transport Services Agreement. Reciprocity on the part of the Government of Mexico continues to provide additional justification for the renewal of this operating authority. In further support of its request for renewal, Mexicana states as follows:

1. Mexicana holds authority to operate scheduled services as described in this renewal application.<sup>1</sup> Effective early July, Mexicana will operate four weekly flights between Dallas/Ft. Worth and Zacatecas and three weekly flights between Dallas/Ft. Worth and Morelia. Service in the remaining markets included in this renewal request will resume when warranted by commercial conditions.

2. On November 21, 1991, the United States and Mexico signed an amendment to the Air Transport Agreement of August 15, 1960, broadening air transport services between the two countries and permitting designated Mexican carriers to operate from "a point or points in Mexico to a point or points in the United States." The routes

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<sup>1</sup> *Notice of Action Taken*, Docket OST-2004-18645, July 30, 2004. Mexicana also holds an exemption in Docket OST-2003-15973 (timely renewal application pending) authorizing it to serve Hermosillo-Las Vegas, but the exemption is limited to codeshare service operated in conjunction with Aeromexico and is

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that are the subject of this renewal request are clearly within the scope of the 1991 amendment. Mexicana has been authorized to serve these routes and has been designated by the Mexican Government in accordance with the terms of the 1960 Agreement. The United States Government has long recognized that the inclusion of a particular service in a bilateral aviation agreement to which the United States is a party and designation of a qualified foreign air carrier for that service is, by itself, *prima facie* evidence of the public interest in operations on that route.<sup>2</sup>

3. Mexicana's fitness remains beyond question. Mexicana is subject to the safety and operational rules of the Government of Mexico. Mexico is a contracting party to the Convention on International Civil Aviation and observes all applicable ICAO standards.

4. This renewal application raises no environmental or energy issues. Similarly, approval of the application will not result in a near term increase in fuel consumption of ten million gallons or more.

**WHEREFORE**, Compania Mexicana de Aviacion, S.A. de C.V. ("Mexicana") respectfully requests that the exemption granted to it in the above-

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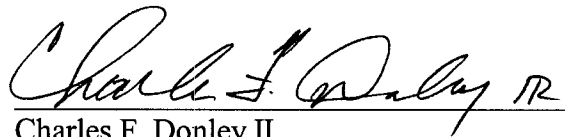
not sufficient to permit Mexicana to serve the route with its own aircraft. The exemption for which renewal is requested today authorizes Mexicana to serve the Hermosillo-Las Vegas market with its own aircraft.

<sup>2</sup> See, S.REP. No. 96-329, at 4 (1979), *reprinted in* 1980 U.S.C.C.A.N. 54, 57 ("The negotiation of a bilateral agreement itself represents a determination by the Government of the United States that the grant of route authority provided for under the bilateral is in the 'public interest.'").

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captioned docket be renewed for an additional one-year period on its existing terms and  
conditions.

Respectfully submitted,

A handwritten signature in black ink, appearing to read "Charles F. Donley II", is written over a horizontal line.

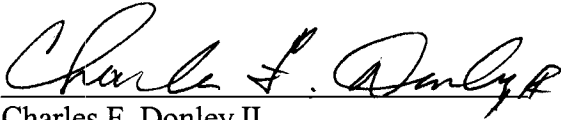
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Counsel to Compania Mexicana de Aviacion, S.A.  
de C.V.

DATE: June 28, 2005

**CERTIFICATE OF SERVICE**

I hereby certify that a copy of the foregoing Application for Renewal of Exemption has this day been served on all persons identified on the attached service list via e-mail.

  
Charles F. Donley II

DATED: June 28, 2005

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